

## Message Text

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ACTION OES-06

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SUBJECT: THE FISHING INDUSTRY IN AL-HOCEIMA

REF: TANGIER'S A-04

1. SUMMARY. AL-HOCEIMA'S FISHING INDUSTRY APPEARS TO HAVE ALMOST LIMITLESS POSSIBILITIES AND MAY BE ONE OF THE MORE INTERESTING INVESTMENT OPPORTUNITIES IN MOROCCO. THE WATERS ARE RICH IN MARINE RESOURCES AND THE ONE PACK-ING FIRM IN OPERATION IS UNABLE TO KEEP UP WITH ITS EXPORT CONTRACTS. THERE ARE PROBLEMS THAT MUST BE SOLVED BEFORE THE INDUSTRY'S PROSPECTS CAN BE FULLY REALIZED AND THE REPORTING OFFICER WAS ABLE TO DISCUSS BOTH THE PROBLEMS AND THE PROSPECTS DURING HIS JUST COMPLETED, WEEK-LONG TRIP THROUGH THE RIF. END SUMMARY.

2. AHMED SEKKAT, REGIONAL DELEGATE OF THE OFFICE OF NATIONAL FISHERIES AT AL-HOCEIMA, WAS FRANK IN WHAT HE HAD TO SAY AND OPTIMISTIC ABOUT THE FUTURE. SEKKAT CONFIRMED THAT THE INDUSTRY WAS ONE OF AL-HOCEIMA'S TOP  
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DEVELOPMENTAL PRIORITIES (REFAIR). SEKKAT DESCRIBED

AL-HOCEIMA'S FISHING POTENTIAL AS ENORMOUS AND STRESSED THAT THE VAST MARINE LIFE RESOURCES OFF MOROCCO'S NORTHERN COAST HAVE BEEN VIRTUALLY UNEXPLOITED. AT PRESENT SARDINES AND ANCHOVIS CONSTITUTE 86 PERCENT OF AL-HOCEIMA'S TOTAL YEARLY CATCH. IN 1975, FISHERMEN AT AL-HOCEIMA RECORDED A CATCH OF 8,966 TONS OF SARDINES AND 1,271 TONS OF ANCHOVIS FOR A TOTAL OF 10,237 TONS. ALL OTHER FISH AMOUNTED TO ONLY 1,718 TONS. SEKKAT WAS QUICK TO POINT OUT THAT SUCH FIGURES PROVIDE NO MEASURE OF THE INDUSTRY'S POTENTIAL AND THAT THE TOTAL TONNAGE RECORDED AMOUNTS TO ONLY 33 TONS PER DAY FOR ALL OF AL-HOCEIMA'S 55 FISHING BOATS (NOT 20 AS REPORTED REFAIR). SEKKAT BELIEVES THAT THE DAILY CATCH CAN BE INCREASED TO BETWEEN 50 AND 80 TONS PER BOAT, THOUGH HE ADDED THAT SOME BOATS WITHIN THE PRESENT FLEET WERE NOT LARGE ENOUGH TO CARRY THAT QUANTITY. EXPANDING THE FLEET WOULD REQUIRE LARGER BOATS AND NECESSARILY PRESUPPOSE EXPANSION OF AL-HOCEIMA'S PORT FACILITIES. SEKKAT STATED THAT THIS POSED NO SIGNIFICANT PROBLEMS AND THAT THERE WERE FIVE OTHER POTENTIAL PORTS THAT COULD BE CONSTRUCTED SHOULD THE FLEET OUTGROW THE FACILITIES AT AL-HOCEIMA. THESE ARE EL-JEBHA, TORRES DE ALEALA, MESTASA, CALA-IRIS, AND BADES. OF THESE, ONLY EL-JEBHA HAS ANY EXISTING FACILITIES.

3. THE PRINCIPAL OBSTACLE TO EXPANSION IS THE INABILITY THUS FAR TO ATTRACT NECESSARY FOREIGN CAPITAL, A PHENOMENON SEKKAT FINDS DIFFICULT TO EXPLAIN GIVEN MOROCCO'S LIBERAL INVESTMENT CODE. SEKKAT INDICATED THAT MOROCCO'S DESIRE FOR AMERICAN INVESTMENT WAS STRONG AND NOTED THAT ADVANCED AMERICAN TECHNOLOGY IN THE FISHING INDUSTRY COULD GO A LONG WAY TOWARD FULFILLING THE POTENTIAL OF THE INDUSTRY AT AL-HOCEIMA. WITHOUT AMERICAN INVESTMENT, THE GOM MUST OF NECESSITY TURN TO OTHER NATIONS WHICH NORMALLY INSIST THAT THEIR VESSELS BE ALLOWED TO FISH MOROCCAN WATERS. THERE ARE ALREADY AGREEMENTS WITH JAPAN, SPAIN, AND KOREA. SEKKAT, HOWEVER, REFUSED TO ELABORATE ON THE SUBSTANCE OF THESE AGREEMENTS. WHEN ASKED ABOUT POSSIBLE MOROCCAN INVESTMENT, SEKKAT STATED THAT RIFFIANS WEALTHY ENOUGH TO LIMITED OFFICIAL USE

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INVEST---AND THERE ARE SOME---USUALLY LIMIT THEMSELVES TO SMALL COMMERCIAL ENTERPRISES AND A MERCEDES BENZ AND ALMOST NEVER REINVEST CAPITAL GAINS BACK INTO ONGOING BUSINESSES. THUS, THE NEED FOR FOREIGN CAPITAL. MOST PRESSING IS THE NEED FOR REFRIGERATION UNITS WHEREIN LARGER CATCHES CAN BE STORED UNTIL READY FOR CANNING. AT PRESENT, ALL FISH ARE EITHER SOLD TO AL-HOCEIMA'S OVERWORKED AND ONLY CANNERY FOR EXPORT OR CONSUMED ON

THE LOCAL MARKET, THOUGH WHEN THE LOCAL MARKET IS FLOODED, FISH ARE OFT TIMES SOLD IN OTHER NEARBY PORTS, SUCH AS CEUTA AND MELILLA.

4. TO FURTHER DEMONSTRATE THE INDUSTRY'S PROBLEMS AND POTENTIAL, SEKKAT INVITED THE REPORTING OFFICER TO TOUR AL-HOCEIMA'S CANNERY, CONSERVERIE RIENA, OWNED AND OPERATED BY THE PORTUGUESE FAMILY OF JOSE M.R. LADEIRA. LADEIRA, SPECIALIZING IN SARDINES AND ANCHOVIS, CLEARLY HAS MORE BUSINESS THAN HE CAN PROPERLY HANDLE. HE IS SALTING APPROXIMATELY THIRTY TONS OF FISH DAILY WHICH ARE RETAINED IN LARGE OPEN CANS FROM FOUR TO SIX MONTHS BEFORE BEING CLEANED AND PACKED IN SMALL 75-GRAM TINS. LADEIRA IS PACKING BETWEEN 200 AND 300 CASES DAILY (EACH CONTAINING 100 TINS) AND IS EXPORTING HIS PRODUCTION TO NEW YORK, GERMANY, GREECE, FRANCE, AND SOUTH AMERICA. THE AVAILABILITY OF SALTED STOCK OFTEN EXCEEDS THE CANNERY'S REFINING CAPABILITY, AND THE EXCESS IS USUALLY SHIPPED TO CANNERIES IN EUROPE AND SOUTH AMERICA. WHEN SUPPLY EXCEEDS FOREIGN DEMAND THE STOCK IS TURNED INTO FERTILIZER AND FEED FOR LIVESTOCK WHICH IS CONSUMED ON THE LOCAL MARKET. LADEIRA OWNS THREE FISHING VESSELS WHICH SUPPLY HIM WITH THIRTY PERCENT OF WHAT HE IS CAPABLE OF CANNING. THE REMAINING 70 PERCENT IS PURCHASED FROM OTHER PRIVATELY-OWNED VESSELS. IN ORDER TO EXPAND AND MEET THE DEMAND OF FOREIGN BUYERS---LADEIRA IS CURRENTLY THREE TO FOUR MONTHS BEHIND ON FILLING CONTRACTS---HE IS ADDING A REFRIGERATION UNIT TO HIS PACKING PLANT. LIKE SEKKAT, LADEIRA BELIEVES AL-HOCEIMA'S POTENTIAL IN FISH IS ALMOST LIMITLESS. HE SAID BUSINESS IS GOOD DUE NOT ONLY TO LIMITLESS MARINE LIFE RESOURCES BUT ALSO TO THE AVAILABILITY OF CHEAP RIFFIAN LABOR. THE CANNERY EMPLOYS BETWEEN 200 AND 600 INDIVIDUALS DEPENDING UPON THE SEASON.

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THE GREATEST POTENTIAL DANGER HAS BEEN THE GOM'S INABILITY TO CONVINCE FISHERMEN TO RELY ON TRADITIONAL FISHING METHODS AS OPPOSED TO DYNAMITING. TO OVERCOME THE PROBLEM, LADEIRA PAYS HIS FISHERMEN A STANDARD WAGE REGARDLESS OF THE DAILY CATCH. HOWEVER FISHERMEN STILL INSIST ON USING DYNAMITE AND LADEIRA LOST ONE BOAT WHEN A CARELESS EMPLOYEE DROPPED AN IGNITED STICK ON THE DECK. THE GOM IS REPORTEDLY CONCERNED AND HAS CHARGED THE AUTHORITIES WITH PREVENTING THE PRACTICE.

5. COMMENT. THE FISHING INDUSTRY SEEMS TO BE AL-HOCEIMA'S ONE GREAT HOPE FOR THE FUTURE. THE ONE PROCESSING PLANT NOW IN OPERATION APPEARS TO BE SUCCEEDING AND THERE IS NO REASON TO BELIEVE THAT OTHERS WOULD NOT DO EQUALLY WELL. WHEN ONE CONSIDERS THAT ONLY TWO (SARDINES AND

ANCHOVIS) OF TWENTY-ONE AVAILABLE SPECIES HAVE BEEN  
SERIOUSLY EXPLOITED THUS FAR, THE INDUSTRY'S POTENTIAL  
AS AN INVESTMENT OPPORTUNITY BECOMES ALL THE MORE EVIDENT.  
EASTMAN

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